COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

A SERVICE AGREEMENT BETWEEN THE)
UNION LIGHT, HEAT AND POWER COMPANY) CASE NO. 91-076
AND NEWPORT STEEL CORPORATION)

ORDER

On February 8, 1991, The Union Light, Heat and Power Company ("ULHSP") filed with the Commission a special contract for retail electric service to Newport Steel Corporation ("NSC").

The Commission finds that, pursuant to KRS 278.190, further proceedings are necessary in order to determine the reasonableness of the proposed contract.

IT IS THEREFORE ORDERED that:

- 1. The proposed contract be and it hereby is suspended for five months from March 10, 1991 up to and including August 9, 1991.
- 2. ULHEP shall provide, no later than March 25, 1991, an original and ten copies of an explanation why the contracts section 3.1 establishes NSC's rates for a period of ten years at the tariff rates effective February 1, 1991, without any provision to track changes in ULHEP's Rate TT and Rider LM.
- 3. Nothing in this Order shall prevent the Commission from entering a final decision in this case prior to the termination of the suspension period.

Done at Frankfort, Kentucky, this 11th day of March, 1991.

PUBLIC SERVICE COMMISSION

For the Commission

ATTEST:

Executive Director